

## Press release

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### FSB reports strong growth in non-bank financial intermediation in 2023

- ***Annual monitoring exercise shows the non-bank financial intermediation (NBFi) sector grew at more than double the pace of the banking sector in 2023, led by investor inflows and higher asset valuations.***
- ***Most vulnerability metrics of NBFi entities involved in credit intermediation activities that may pose bank-like financial stability risks remained stable.***
- ***FSB report also includes data on non-bank fintech lending for the first time. The outstanding amounts reported by 10 jurisdictions totalled around \$42 billion.***

The Financial Stability Board (FSB) today published its annual [Global Monitoring Report on Non-Bank Financial Intermediation](#). The report describes broad trends in financial intermediation in 2023 across 29 jurisdictions that account for around 88% of global GDP, before narrowing its focus to the subset of NBFi activities that may be more likely to give rise to vulnerabilities.

The main findings from this year's monitoring exercise include:

- In 2023, the NBFi sector grew 8.5%, more than double the pace of banking sector growth (3.3%), raising the NBFi share of total global financial assets to almost 50% (roughly \$250 trillion). This growth was largely attributed to higher asset valuations, which rebounded after a decrease in 2022. Investor inflows to NBFi entities also contributed to the increase.
- All NBFi subsectors grew at rates of around two times their five-year average. The assets of other financial intermediaries (OFIs) – a subset of the NBFi sector that includes money market funds, hedge funds, other investment funds, central counterparties, and structured finance vehicles (SFVs) – increased by almost 10% over the year, to just under \$160 trillion. Insurance corporation and pension fund assets also grew strongly.
- The narrow measure of the NBFi sector – which consists of entities that authorities have assessed as being involved in credit intermediation activities that may pose bank-like financial stability risks – increased by almost 10% to reach \$70 trillion, the highest level ever recorded in this exercise.

- Most vulnerability metrics of NBFIs – measuring credit intermediation, maturity transformation, liquidity transformation, and leverage – remained stable. Metrics for liquidity transformation in fixed income and mixed funds, as well as for leverage in finance companies, broker-dealers and SFVs, were relatively high.

The report also includes data on non-bank fintech lending for the first time, in response to a recommendation in the third phase of the G20 Data Gaps Initiative to close data gaps related to this activity. 10 jurisdictions reported total non-bank fintech lending of around \$40 billion, or 1% of the total loan assets held by their OFIs.

## Notes to editors

The FSB created a system-wide monitoring framework to track developments in NBFIs in response to a G20 Leaders' request at the Seoul Summit in 2010. The objective of the monitoring exercise is to identify the build-up of vulnerabilities in NBFIs and initiate corrective actions where necessary.

Complementing this monitoring, the FSB has been coordinating the development of policies, together with its member standard-setting bodies and international organisations, to mitigate potential vulnerabilities associated with NBFIs. Progress under the FSB work programme to enhance resilience in NBFIs is detailed in the FSB's July 2024 report.

The FSB coordinates at the international level the work of national financial authorities and international standard-setting bodies and develops and promotes the implementation of effective regulatory, supervisory, and other financial sector policies in the interest of financial stability. It brings together national authorities responsible for financial stability in 24 countries and jurisdictions, international financial institutions, sector-specific international groupings of regulators and supervisors, and committees of central bank experts. The FSB also conducts outreach with approximately 70 other jurisdictions through its six Regional Consultative Groups.

The FSB is chaired by Klaas Knot, President of De Nederlandsche Bank. The FSB Secretariat is located in Basel, Switzerland and hosted by the Bank for International Settlements.

For further information on the FSB, visit the FSB website, [www.fsb.org](http://www.fsb.org).